

Honorable Karen L. Strombom

UNITED STATES DISTRICT COURT  
WESTERN DISTRICT OF WASHINGTON  
AT TACOMA

UNITED STATES OF AMERICA,

Petitioner,

v.

EFFIE LIGON, individually, and as managing  
partner of IBIS GROUP, LLC, and as trustee  
of IBIS COMPANY TRUST,

Respondent.

Case No. MS06-5017 FDB KLS

**AMENDED ORDER TO SHOW  
CAUSE RE: PETITION TO  
ENFORCE INTERNAL REVENUE  
SERVICE SUMMONSES**

Upon the petition of the United States and the Declaration of Revenue Agent Paul R. Shipley,  
including the exhibits attached thereto, it is hereby

ORDERED that respondent Effie Ligon appear before United States Magistrate Judge Karen L.  
Strombom in Courtroom F of the United States District Court located at 1717 Pacific Avenue, Tacoma,  
Washington, on the 8th day of September, 2006, at 9:00 a.m., to show cause why she should not be  
compelled to obey the Internal Revenue Service summonses served upon her.

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AMENDED ORDER  
TO SHOW CAUSE (Misc. No. 06-5017 FDB KLS)

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U.S. DEPARTMENT OF JUSTICE  
Tax Division  
P.O. Box 683, Ben Franklin Station  
Washington, DC 20044  
Telephone: (202) 514-9593

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2 It is further ORDERED that:

3 1. A copy of this Order, together with the Order of Reference to Magistrate Judge (Dkt. #3),  
4 shall be served upon respondent in accordance with Fed. R. Civ. P. 5, as soon as practicable after this  
5 Order is served upon counsel for the United States.

6 2. Proof of any service done pursuant to paragraph 1, above, shall be filed with the Clerk of  
7 Court as soon as practicable.

8 3. Since the file in this case reflects a prima facie showing that the examination is being  
9 conducted for a legitimate purpose, that the inquiry may be relevant to that purpose, that the information  
10 sought is not already within the Commissioner's possession, and that the administrative steps required by  
11 the Internal Revenue Code have been followed, *United States v. Powell*, 379 U.S. 48, 57-58 (1964), the  
12 burden of coming forward has shifted to respondent to oppose enforcement of the summonses.

13 4. If respondent has any defense to present or opposition to the petition, such defense or  
14 opposition shall be made in writing and filed with the Clerk of Court and copies served on counsel for the  
15 United States in Washington D.C., at least 5 court days prior to the date set for the show cause hearing.  
16 The United States may file and serve a reply memorandum to any opposition at least 2 court days prior to  
17 the date set for the show cause hearing.

18 5. At the show cause hearing, the Court will consider all issues raised by respondent. Only  
19 those issues brought into controversy by the responsive pleadings and supported by affidavit will be  
20 considered. Any uncontested allegation in the petition will be considered admitted.

21 6. Respondent may notify the Court, in a writing filed with the Clerk and served on counsel for  
22 the United States in Washington, D.C., at least 5 court days prior to the date set for the show cause  
23 hearing, that respondent has no objection to enforcement of the summons. The respondent's appearance at  
24 the show cause hearing will then be excused.

25 Respondent is hereby notified that failure to comply with this Order may subject respondent to

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27  
28 AMENDED ORDER  
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1 sanctions for contempt of court.

2 The Clerk shall forward copies of this Order to counsel for the United States, at the address  
3 indicated on its pleadings.

4  
5 DATED the 25<sup>th</sup> day of August, 2006.

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9 Karen L. Strombom  
10 United States Magistrate Judge

11  
12 Submitted by:

13 JOHN MCKAY  
14 United States Attorney

15 ROBERT BROUILLARD  
16 Assistant United States Attorney

17  
18 s/ Jennifer D. Auchterlonie  
19 JENNIFER D. AUCHTERLONIE, WSBA 29481  
20 Trial Attorney, Tax Division  
21 U.S. Department of Justice  
22 Post Office Box 683  
23 Ben Franklin Station  
24 Washington, D.C. 20044  
25 Telephone: (202) 514-9593  
26 Facsimile: (202) 307-0054  
27 E-mail: [Jennifer.D.Auchterlonie@USDOJ.gov](mailto:Jennifer.D.Auchterlonie@USDOJ.gov)

28 AMENDED ORDER  
TO SHOW CAUSE (Misc. No. 06-5017 FDB KLS)

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